

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:

Art Unit 2624  
Conf. No.: 9796

Rhoads et al.

Application No.: 10/723,731

Filed: November 26, 2003

For: METHOD FOR UTILIZING  
FRAGILE WATERMARK FOR  
ENHANCED SECURITY

VIA ELECTRONIC FILING

Examiner: A. Johns

Date: October 27, 2006

**STATEMENT RESPONDING TO REASONS FOR ALLOWANCE**

Mail Stop ISSUE FEE  
COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

This statement is filed pursuant to 37 C.F.R. 1.104(e) ("Reasons for Allowance"), and is responsive to the Examiner's statement of reasons for the indication of allowable subject matter in the Notice of Allowability dated July 27, 2006.

Applicant respectfully submits that the allowability of the claims does not hinge on isolated elements thereof. Rather, the claims are believed patentable because, when viewed as a whole, they define combinations that are neither anticipated by, nor obvious over, the prior art.

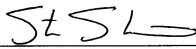
Date: October 27, 2006

CUSTOMER NUMBER 23735

Respectfully submitted,

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